

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

SB 890 - HB 1018

March 5, 2021

SUMMARY OF BILL: Requires an applicant for a renewal of a concealed handgun carry permit (CHCP) to pay a \$50 fee. Requires the Department of Safety (DOS) to conduct a name-based criminal history record check every four years after a person is issued a CHCP.

ESTIMATED FISCAL IMPACT:

Increase State Revenue –

\$1,657,200/FY27-28 and Subsequent Years/Handgun Permit Division

Increase State Expenditures – \$96,000/FY21-22/Handgun Permit Division

Assumptions:

- Pursuant to Tenn. Code Ann. § 39-17-1366(j)(1), prior to the expiration of a CHCP, a permit holder may apply to DOS for the renewal of the permit by submitting, under oath, a renewal application. The renewal application must be on a standard form developed by DOS.
- Current law does not necessitate a renewal fee for a CHCP.
- As CHCPs have only begun being issued January 1, 2020, there is only one year's figures available as of yet. It is expected that 33,143 CHCPs will be issued annually.
- A CHCP does not expire for eight years; therefore, the first permits issued will expire January 1, 2028. However, pursuant to Tenn. Code Ann. § 39-17-1366(j)(2), a person may renew a CHCP beginning six months prior to the expiration date on the face of the permit. The first renewal applications and fees, per this legislation, will begin being remitted on and after July 1, 2027.
- This legislation is not expected to significantly impact total number of CHCP renewals.
- The recurring increase in state revenue to the Handgun Permit Division (HPD) is \$1,657,150 (33,143 x \$50) in FY27-28 and subsequent years.
- In order for DOS to conduct a name-based criminal history record check every four years after a person is issued a CHCP, an update is necessary to the current contracted system, estimated to increase state expenditures from the HPD by \$96,000 in FY21-22.
- Although the first name-based criminal background history checks would not begin to take place until January 2024, the increase of expenditures, as related to the system updates will occur in FY21-22.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink that reads "Bojan Savic". The signature is written in a cursive style with a large, stylized 'B' and 'S'.

Bojan Savic, Interim Executive Director

/jg